

## DEPARTMENT OF FINANCE BILL ANALYSIS

**AMENDMENT DATE:** April 29, 2008  
**POSITION:** Support  
**SPONSOR:** Department of Housing and Community Development

**BILL NUMBER:** SB 1452  
**AUTHOR:** L. Correa

### **BILL SUMMARY:** Manufactured Housing: Factory-Built Housing

This bill would authorize the Department of Housing and Community Development to refuse to issue or renew an occupational license if the applicant has been the subject of a civil judgment when the underlying offense involves moral behavior, provide a range of civil penalties based on severity of an offense, and broaden the range of violations subject to civil penalty.

### **FISCAL SUMMARY**

There would be no increased cost to the Department of Housing and Community Development (HCD).

### **COMMENTS**

The Department of Finance supports the bill because it will increase HCD's ability to protect the public from unscrupulous manufactured home salesperson, dealers, distributors and manufacturers.

HCD licenses manufacturers, salespersons and dealers of manufactured homes. HCD may refuse to issue an occupational license if an applicant has been convicted of a felony or a crime involving moral turpitude. However, some applicants may have civil judgments against them that are based on facts that would have resulted in denial of a license if the person had been criminally convicted. Similar to the regulation of automobile licensees, this bill would authorize HCD to deny a license based on a civil judgment when the underlying activities would have resulted in a license denial if there had been a criminal conviction.

HCD is authorized to suspend or revoke an occupational license. This bill will expand HCD's disciplinary authority to include a range of civil penalties. Currently, HCD's disciplinary actions are limited to either warning letters or suspension or revocation of a license. For violations that are not egregious enough to warrant license suspension, HCD does not have intermediate penalties. Similar to Contractor's State Licensing Board regulation, this bill would authorize a range of penalties based on the severity of the violations or past violations by the licensee.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO	PROP							Fund
	RV	98	FC	2007-2008	FC	2008-2009	FC	2009-2010	Code
2240/HCD	SO	No	----- No/Minor Fiscal Impact -----						0648
<u>Fund Code</u>	<u>Title</u>								
0648	Mobilehome Manufactured Home Revolv Fd								

Analyst/Principal (0741) K. Amann	Date	Program Budget Manager Mark Hill	Date
Department Deputy Director			Date

Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

**BILL ANALYSIS** Form DF-43 (Rev 03/95 Buff)